

## **2016 TRENDING AND EQUALIZATION OF PORTER COUNTY**

This document summarizes the method and procedures used to complete the 2016 Annual Adjustment for Porter County. This document is intended to provide a reasonable explanation as to how this task was completed.

### **Overview**

In most areas in Porter County sales are rising. The market seems to be recovering marginally from previous years with the exception of Center Township and few other New Construction areas of the county. Each sale in this study has been scrutinized for validity using information derived from sales disclosures, MLS, and verification letters. Each sale meets the 5 criteria for a good sale. Sales that are marked valid but we did not use are listed on a tab marked Validity Changes at the end of the workbook. We have gone through the reconciliation worksheet and checked to make sure we are using all valid sales.

### **Improved Residential**

With fewer sales this year than last, finding a good dataset for all neighborhoods was extremely difficult. We have combined neighborhoods and compared others. Most of the trending factors were under 5% but there are still pockets where the factor was higher. There were a few areas that did not show an obvious pattern & were left out of the trending study but had that a factor applied for the workbook. Graham Woods in 64021 was an example. We even looked at sales over a longer time frame but they didn't help. That is one area we intend on fixing the land value with the new land order as well as combining some of our neighborhoods that are too delineated to do an accurate study. There were many neighborhoods that had more than 5 sales but the COD was too low to trend them separately. They are newer homogenous neighborhoods or have been corrected by appeals in the last few years.

### **Vacant Residential**

Most vacant residential properties are being sold to builders at a reduced price or are traded between developer and the buyer of the new construction. This seems to be happening increasingly more in Porter County. We also have some vacant land in the upscale neighborhoods that are selling at a major discount to get rid of the scattered inventory. A majority of properties that are not sold to a builder/developer were previously agricultural and therefore cannot be used in the study. Because there are not many vacant residential sales, townships were combined and a factor was done countywide.

## **Improved Commercial & Industrial**

There are 25 valid improved commercial and industrial sales in the time frame which is less than last year. We are seeing increased number of sales however that include business value or franchise value in the sales price that is not broken out at the time of the sale. However, there are only 2 industrial sales so commercial and industrial have been grouped together.

## **Vacant Commercial and Industrial**

There are not enough commercial or industrial vacant sales to properly calculate a trending factor. We are of the opinion that currently there is not a significant change in the commercial or industrial vacant properties. Vacant Commercial/Industrial land had only 1 valid sale that wasn't a multiparcel or land that was not previously commercial.

## **Conclusion**

While there are enough sales to adequately calculate factors for improved and vacant residential and improved commercial, there is very little good data in other types of properties and should not be trended. This would be vacant commercial and industrial. Industrial improved is grouped with commercial improved. We feel confident in our conclusions about the market trends in Porter County.